



Effect of Halal Labeling on Food Purchasing Decisions: A Case Study of Bandung Islamic University and UITM Kedah Malaysia

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Abstract

Halal labels are often a parameter for Muslims when buying food. Indonesia and Malaysia are among many Muslim-majority countries, and as consumers, halal labels are often not a concern when buying food products. However, others still hold to the strong principle that a product must have a halal label. The purpose of this study was to determine whether students of Bandung City Islamic University and UITM Malaysia Kota Kedah pay attention to halal labels when buying food products. Using a quantitative verification approach and convenience sampling method with a sample size of 90 people. The results showed that halal labels influence the decision to buy food products, both for the Islamic University in Bandung City and for UITM Malaysia students. The city of Bandung, located in Indonesia, and the city of Kedah, located in Malaysia, are big cities with most Muslims, which is why we developed research on both. Two universities are located in this city, namely, Bandung Islamic University and UITM Malaysia.

Keywords *Halal Label, Decision, Product*

INTRODUCTION

Indonesia is a country of different nationalities, societies, and religions. This variety is followed by the rule of "unity in diversity" and it signifies "different but one". Various clans in Indonesia produce extraordinary things such as houses, clothes, melodies, movements, and food. Various food sources created by clans that were once seen as public abundance enjoyed only by actual clans are now transformed into the travel industry, which is now called the "culinary travel industry". The Indonesian government firmly upholds this travel culinary industry program, and even needs to seriously make Indonesia the most beloved culinary destination of the travel industry on the planet. The development of efforts continues to be carried out, including progress abroad and domestically as well as expanding the affection and interest of the public in the traditional cuisine of the archipelago. The culinary and travel industries can help the regional economy, especially regarding limited scope organizations. Public authorities noticed that in 2013, the culinary zone contributed a gross value added of Rp208. 6 trillion with typical development 4.5% from 2012 to 2013. The culinary zone also maintains a workforce of 3. 7 million people with typical development of 0.26%. Special units made from the culinary zones are noted 3. 0 million with a typical development of 0.9%. In this way, the travel culinary industry is considered as a basic component that serves as cement for the advancement of travel, given that the travel industry is a multi-quality zone and soon as an entrance and picture of the Indonesian travel industry (Izzuddin, 2018).

The issue of halal haram is an effective topic in Indonesia. The basic explanation is that

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Indonesia's population is majority Muslim. In Indonesia, Majelis Ulama Indonesia (MUI) explained that Islamic dietary laws are significant, and it is imperative for public authorities to effectively strategize on the implementation and enforcement of halal food labeling regulations. Consumption of halal food products is not merely a preference but a religious obligation. Thus, meticulous consideration and assurance of the halal status of consumables are paramount, as dictated by religious teachings. This underscores the necessity for stringent measures and oversight to ensure adherence to halal standards, as the consumption of only halal and *haysim* (wholesome) items is sanctioned within Islamic jurisprudence. The researchers elaborated on *thayyib* as nutritious according to the principles of welfare science. Community groups should have the option of assessing each bundled imported food item to be eaten. Then, where it is the duty of public authorities to safeguard the local zone as a whole and most local zones in particular, the World Health Organization will ensure the safety of Muslim groups of people in devouring imported bundled food items. Value other than the halal mark is the primary need (Al-Bara & Nasution, 2018).

The incorporation of halal marking implies information from the manufacturer to the buyer about the goods they are going to sell, so that the buyer really knows what ingredients are used, including any additives listed on the bundling. Proper naming according to the relevant guidelines will establish a legitimate and considerate exchange, so it will work with halal marking, which at a basic level is a sign that illuminates the client of the goods that the goods are absolutely halal and the supplements they contain do not contain ingredients that are illegal by sharia so that the goods can be consumed. Eating halal goods, especially halal food, is a necessity prescribed in Islamic regulations as revealed in the Qur'an, on the premise that Muslims, according to Islamic lessons, believe that the items should be eaten to ensure halal and benevolence, besides that manufacturers are expected to provide halal goods that will be eaten by most Indonesians. The World Health Organization adheres to Islam as their strict obligation, then items that do not include the halal mark on the bundling are considered not to have received approval from an approved institution (LPPOM-MUI) to be characterized into the list of halal goods or considered suspicious about their halal. The lack of signs will make Muslim buyers cautious in choosing whether to consume goods without halal names or not (Wibowo & Mandusari, 2018).

Otherwise, Malaysia is a country that cares a lot about the halal logo, and domestic and foreign companies need to get halal logo approval from JAKIM and the Islamic Religious Council in their respective Countries (MAIN). Consumers need to gain their trust in halal logos, especially Muslims. The study of halal logos in Malaysia is carried out in its area of interest. The halal logo plays an important role in strengthening users' confidence in food and goods (Amanah et al., 2019).

The word halal in any structure, when displayed on goods and places, has a unique appeal to Muslim buyers in Malaysia. They accept that the halal issue is not just about the logos used by food makers but also includes the absolute quality control standards involved in observing the slaughter, care, and stockpiling cycles of creatures, as well as all ingredients used in preparing food. Evidence also revealed that two types of buyers, Muslim and non-Muslim, answered more emphatically to the halal logo. In addition, most buyers can separate the Malaysian halal logo from the halal logos of other countries. Different financial and disposition factors such as level of awareness, reliability, safety and well-being, government inclusion, and assembly exercises. In conclusion, certainty with halal logo increases buyer certainty on JKIM halal logo. Strict welfare concerns and ideas are associated with Muslims devouring halal food. Moreover, customers are very sensitive to halal information, which can lead to a loss of their certainty, which in the future can affect their expected purchasing choices (Asa, 2019).

Consuming halal food is considered by Muslims to be against the will of Satan, as he wants humans to enter haram. Thus, avoiding haram is an attempt to resist Satan's temptations. It will

bring goodness and health to become accustomed to eating halal food and *thayyib*. All things on earth are halal except those forbidden by the Qur'an and Hadith (Adawiyah et al., 2022).

The main objective of this research is to compare Indonesia and Malaysia in decision-making processes during purchases. The 2023 edition of The Muslim 500 study from The Royal Islamic Strategic Studies Center (RISSC) shows that there were 237.55 million Muslims living in Indonesia in the previous year. Both internationally and among the countries that make up the Association of Southeast Asian Nations (ASEAN), this figure is the highest. It makes up 86.7% of Indonesia's overall population that identifies as Muslim. The country with the highest Muslim population in ASEAN is Malaysia, which ranks second. A total of 19.84 million people, or 61.3% of the total population of adjacent countries, are included in the figure.

LITERATURE REVIEW

Label Definition

The definition of halal is "letting go and not being bound." In this context, it can be epistemologically said that halal is free and not limited by laws that prohibit. The Quran contains a clear statement regarding the limits of halal, found in Surah Al-Baqarah verse 168, which reads, "O everyone! Consume the lawful goodness of this planet again and do not follow Satan's footsteps, for Satan is actually your true enemy". The Ministry of Trade of the Republic of Indonesia Number 518 of 2001 concerning the inspection and determination of Halal Food is: "... does not contain any elements or ingredients haram or prohibited for consumption by Muslims, and their processing is not contrary to Islamic law." In addition, Halal labeling allows companies to place the term "HALAL" on the packaging or packaging of their products. Images, logos, colors, and markings that determine the halal status of a product or service are referred to as "halal labeling" (Dwik & Samboro, 2019; Wulandari, 2021).

In Malaysia, halal labeling plays an important role in giving Muslim consumers' confidence about the halalness of the products they consume. The halal label is a crucial element that shapes the preferences and purchasing decisions of the Muslim community. This is reinforced by Mohamed et al. (2020), who stated that trust in the halal label is strongly influenced by the transparency and reliability of the certification process. Furthermore, a study by Shaari and Arifin (2009) found that Malaysians' awareness and knowledge of the halal label is very high, which directly affects their purchase intention. Nurdeng (2009) added that for the Muslim community in Malaysia, the halal label is not just a sign, but a guarantee in terms of Islamic law that must be obeyed, and this has a significant impact on consumer trust and loyalty. Furthermore, Aziz and Chok (2013) showed that awareness about halal labeling is increasing among non-Muslim consumers, who consider this label as an indicator of product quality and hygiene.

Halal Label Foundation

After obtaining a halal certificate, a product can obtain a halal label. Written fatwa from the Indonesian Ulema Council (MUI) that proves the halal status of a product in accordance with Islamic law is called a halal certificate. To obtain permission from the authorized government agency to put a halal label on the product packaging, you must have this halal certificate. What is meant by "halal products" is that they are goods that, in accordance with Islamic law, meet halal requirements. The following are necessary for a product to be halal: It is without pork and pork-derived ingredients. It does not include prohibited substances. materials made from human blood, feces, organs, etc. All materials derived from halal animals are killed in accordance with Islamic law. Pigs should not be kept in any of its facilities for processing, storage, sale, management, or transportation. Whenever used for pork or other non-halal products, it must be thoroughly cleaned in accordance with Islamic law. Everything that is not made with *Khamar* (Azis et al., 2023).

In Malaysia, the competent authority is the Department of Islamic Development Malaysia (JAKIM), which has the authority to certify products as halal for business traders operating in Malaysia and internationally. On January 1, 1997, JAKIM, formerly known as BAHEIS, changed its name. By 2020, they become the leading Islamic affair management organization in Malaysia. Their mission is to apply national values in the management of Islamic affairs through strategic and innovative Islamic institutions. JAKIM has long supported MIHAS and will do so in the future for any efforts involving Malaysian halal, including the 2015 World Halal Summit ([History of JAKIM, 2018](#)). Terms and conditions of halal food as mentioned earlier, the definitions of haram and halal are very different. Almost every food and drink that comes from cultivating fruits, vegetables, and animals is kosher, except those that are toxic and pose a risk to human health. 8 The drink that Allah forbids is all forms of *khamar* (alcoholic beverages) Allah says:

﴿يَسْأَلُونَكَ عَنِ الْخَمْرِ وَالْمَيْسِرِ قُلْ فِيهِمَا إِثْمٌ كَبِيرٌ وَمَنَافِعُ لِلنَّاسِ وَإِثْمُهُمَا أَكْبَرُ مِنْ نَفْعِهِمَا وَيَسْأَلُونَكَ مَاذَا يُنْفِقُونَ قُلِ الْعَفْوَ كَذَلِكَ يُبَيِّنُ اللَّهُ لَكُمْ الْآيَاتِ لَعَلَّكُمْ تَتَفَكَّرُونَ﴾

It means: "Verily Allah only forbids you (to eat) carrion, blood, pork, and animals which when slaughtered) are called (names) other than Allah. However, whoever is in a state of compulsion (to eat it) when he does not want it, does not (does not) transgress the limit, then verily Allah is merciful" (QS al-Baqarah: 173)

This verse explains the list of prohibited foods. Animals that die without being killed fall into the category of carcasses known as carrion. These animals include those who suffocate, are hit, fall, are horned, or are pounced on by wild animals. The only carcasses worth consuming are those of fish and grasshoppers. Blood, also known as flowing blood, refers to the blood that flows out during the killing process, whereas blood remaining in the flesh after cleansing is acceptable. The spleen and heart are the two acceptable blood types. Pigs are illegal; Anything that comes from them, be it blood, flesh, or bones, is illegitimate. An animal that, after being killed, says nothing but God's name. There are two ways that we can classify halal food: halal in the sense that it is prepared and halal *dzat*, or the actual content of the product. If halal is achieved, then seeking and obtaining it is true.

Only in an arrogant way or unlawfully. Food that is essentially halal but must be obtained through illegal means, such as stealing, receiving the proceeds of corruption, or engaging in other criminal activities, automatically loses its legal status and becomes haram food. According to another explanation, food that conforms to Islamic law is defined as halal in essence, halal in the way it is obtained, and halal in the way it is processed. In other words, the food must be strictly halal. This is in accordance with Allah's word:

يَا أَيُّهَا الَّذِينَ آمَنُوا لَا تَأْكُلُوا أَمْوَالَكُمْ بَيْنَكُمْ بِالْبَاطِلِ إِلَّا أَنْ تَكُونَ تِجَارَةً عَنْ تَرَاضٍ مِنْكُمْ وَلَا تَقْتُلُوا أَنْفُسَكُمْ إِنَّ اللَّهَ كَانَ بِكُمْ رَحِيمًا

Meaning: O men of faith, do not eat each other's property in the same way, except by consensual trade among yourselves. and thou shalt not commit suicide, verily Allah is merciful to thee (QS An-Nisa': 29)

From the above verse, it can be seen that Allah encourages Muslims to eat everything that is halal, which is obtained by halal means not by *bathil*. One way to get it is by way of trade. Meanwhile, food that is haram is forbidden for a Muslim to eat. Basically, all food in the world is halal to eat, unless there is a proposition that prohibits both from the Qur'an and hadith. In accordance with the rules of fiqh,

الأصل في الأشياء الإباحة حتى يدل الدليل على التحريم

Meaning the origin of all things is *mubah*, although there is no postulate forbidding it. The essence of this rule is that the original law of everything created by Allah is lawful and *mubah*, unless there is a *naṣḥ ṣaḥīih* that indicates monasticism. In other words, if there is no *naṣḥ ṣaḥīih* or strict appointment of a monastery, it remains within the original law of *kubah*. The basic rules are,

هُوَ الَّذِي خَلَقَ لَكُمْ مَا فِي الْأَرْضِ جَمِيعًا ثُمَّ اسْتَوَىٰ إِلَى السَّمَاءِ فَسَوَّاهُنَّ سَبْعَ سَمَاوَاتٍ ۗ وَهُوَ بِكُلِّ شَيْءٍ عَلِيمٌ

Means: He is God, who made all that is on earth for you and He willed (created) the heavens, and made Him seven heavens. and He is All-Knowing. (QS al-Bāqarah: 29)

This verse tells us that everything God created on this earth is a blessing from Him. And God forbid nothing except a few parts, and there must be wisdom behind it all for the good of man.

Expert Opinions Discussion in Each Journal

Table 1. Previous Research Related to Halal Product Knowledge

No	Authors	Research Results
1	Suki and Suki (2018)	The study was conducted in Malaysia and involved 300 respondents. This research delves deeper into the influence of halal knowledge and religiosity of the Malaysian Muslim community on the attitudes of those who will eventually purchase halal cosmetic products. This study shows that the variables of knowledge and religiosity have a significant effect on attitudes. Attitudes influence the purchasing intentions of Muslim consumers. This research contributes to the strategy of increasing knowledge of halal food.
2	Nurhayati and Hendar (2020)	This study was conducted in Indonesia and involved 238 respondents. This study aimed to determine the influence of Muslim consumer awareness on the purchase intention of halal food products in Indonesia. This is done because there are still many products that do not have a halal certificate. This study also seeks to determine the relationship between halal product awareness in mediating religiosity and halal knowledge on the purchase intention of halal products. The results showed that awareness of halal products partially mediated the relationship between religiosity, halal knowledge, and the purchase intention of halal food.
3	Billah et al. (2020)	The study was conducted in Thailand and involved 237 respondents. This study explores the influence of halal knowledge on purchase intentions that change consumer behavior. This is important because it has not been empirically proven that food

		is capable of transmitting the Covid-19 virus, but this has changed consumer behavior in developing countries, both from Muslim and non-Muslim consumers. The results showed that religiosity and halal knowledge had a significant effect on the intention to buy halal food products. In addition, purchase intention significantly affects consumer behavior, both for Muslim and non-Muslim consumers.
4	Rizkitysha and Hananto (2022)	This study was conducted in Indonesia and involved 264 respondents. This study examines the factors that influence the attitude and purchase intention of non-food halal products, namely detergent products. The results show that attitudes are influenced by the knowledge and perception of halal logos on products. The study also showed that religiosity influence attitudes. Attitude significantly affects the purchase intention of halal products.
5	Chong et al. (2022)	This study was conducted in Malaysia and involved 321 respondents. This study aimed to determine the factors that influence the purchase intention of non-Muslims in Malaysia toward halal food products. It is consumed not only by Muslim people but also by non-Muslim communities. The results showed that among the determinants of purchase intention (namely product quality, price, product availability, and product safety), product quality is the most powerful factor determining purchase intent.

RESEARCH METHOD

This study uses a quantitative verification approach with a convenience sampling method. The research sample consisted of 90 students from Universitas Islam Bandung and UiTM Kedah, who were selected using a random sampling technique. The inclusion criteria for respondents were students who were actively studying, thus ensuring a homogeneous sample in terms of educational background and potential exposure to halal-related issues.

Convenience sampling was used because of the ease of access to the specific population and the exploratory nature of the study. Despite its limitations, this method is suitable for the preliminary investigation of research questions. Data were collected using a structured questionnaire, which included both closed- and open-ended questions. The questionnaire was developed by the author and focused on measuring the influence of halal labeling on food purchase decisions. The questions were designed to measure respondents' awareness, perceptions, and purchasing behavior regarding halal-labeled products. The main variables in this study are as follows:

1. Awareness of halal labeling (measured by Likert scale)
2. Importance of halal certification in purchasing decisions
3. Frequency of purchase of halal-certified products
4. Demographic variables (age, gender, educational background)

The collected data were analyzed using EViews and SmartPLS. Descriptive statistics provide an overview of the sample characteristics and general trends in the data. Inferential statistics, including regression analysis, were used to test the hypotheses and determine the relationship between halal labeling and purchase decisions. The validity of the questionnaire was assured through expert review and pilot testing with a small sample of university students who were not included in the final study. Reliability was assessed using Cronbach's alpha, with a value of 0.85 indicating high internal consistency. Construct validity was confirmed through factor analysis, ensuring that the questionnaire accurately measured the intended construct. The methodology followed established guidelines in social science research. References to standard procedures and statistical methods are included.

FINDINGS AND DISCUSSION

In line with the research objective, which is to examine the influence of halal labeling on purchasing decisions, the authors will conduct a series of relevant quantitative analyses. These analyses will be further processed using structural equation modeling with the alternative partial least squares method.

Within structural equation modeling, two types of models are formed: measurement models and structural models. The measurement model elucidates the proportion of variance in each manifest variable (indicator) that can be explained within the latent variables. Through the measurement model, we will determine which indicators are more dominant in shaping latent variables. Subsequently, the structural model is elaborated to assess the influence of each independent latent variable (exogenous latent variable) on the dependent latent variables (endogenous latent variable).

Measurement Model Testing (Outer Model)

Evaluation of the measurement model (outer model) includes checking individual convergent validity (seen from the value of outer loadings), average variance extracted (AVE), discriminant validity, and composite reliability.

The convergent validity of measurement models with reflective indicators is assessed on the basis of the correlation between item score and construct score. If the loading factor meets the convergent validity requirements by having a value of more than 0.5, all indicators are valid as a measuring tool for their respective variables. Apart from the value of the loading factor, convergent validity can also be seen from the value of the average variance extracted (AVE). AVE is considered valid if it has a value greater than 0.5.

Discriminant validity testing can be seen from the cross-loading value, where each indicator that measures the construct must be correlated higher than the other constructs. Thus, the cross-loading value can be declared valid if the indicator has a dominant effect on the measured latent variable. In addition to Cross Loading testing, discriminant validity testing can also be seen using the Fornell-Larcker discriminant validity, which states that if the AVE value is higher than the correlation between other constructs, it can be concluded that the construct has a good level of discriminant validity.

The evaluation of construct reliability value is measured by composite reliability and reinforced by Cronbach's alpha. Each construct is said to be reliable if it has a composite reliability greater than 0.70 and a Cronbach's alpha > 0.6. Testing is carried out by testing outer models (measurement models); namely, to conduct statistical tests on the model carried out and testing the inner model (structural model); that is, to conduct a hypothesis test. In testing the outer model (measurement model) in this analysis, the results are as follows:

Convergent Validity

Convergent Validity is determined by looking at the reliability item (validity indicator) indicated by the loading factor value. The loading factor is a number that shows the correlation between the score of a question item and the score of the construct indicator that measures the construct. A loading factor value greater than 0.7 is considered valid. However, according to [Hair et al. \(1998\)](#), for initial examination of the matrix, a loading factor of approximately 0.3 is considered to have met the minimum level, and a loading factor of less than 0.4 is considered better, and a loading factor greater than 0.5 is generally considered significant. In this study, the loading factor limit was 0.7. After data processing using SmartPLS 3.0, the loading factor results are shown in Table 2.

Table 2. Value of the loading factor

Variable	Indicators	Outer Loading
Halal Label (X)	X1	0.834
	X2	0.934
	X3	0.924
	X4	0,954
Purchase Decision (Y)	Y1	0,651
	Y2	0,834
	Y3	0,757
	Y4	0.614
	Y5	0.818

Source: Primary Data Processed (2023)

From the results of data processing with SmartPLS shown in Table 1, the majority of indicators in each variable in this study have a loading factor value greater than 0.70 and are said to be valid. This shows that indicator variables with a loading factor value greater than 0.70 have a high level of validity, which meet the threshold of convergent validity.

Discriminant Validity

Discriminant validity is determined by looking at the value of cross loading construct measurements. The cross-loading value shows the magnitude of the correlation between each construct and its indicators and those from other block constructs. A measurement model has good discriminant validity if the correlation between the construct and the indicator is higher than that with the indicator of other block constructs. After data processing using SmartPLS 3.0, the results of cross loading are shown in Table 3.

Table 3. Cross Loading Results

	Buying Decision	Halal Label
X1	0.493	0.917
X2	0.329	0.659
X3	0.276	0.676
X4	0.447	0.901
Y1	0.855	0.396
Y2	0.848	0.310
Y3	0.845	0.417

Y4	0.904	0.484
Y5	0.746	0.444

Source: Data Processed (2023)

The results of cross loading in Table 3 show that the correlation value of the construct with the indicator is greater than the correlation value with other constructs. Thus, all latent constructs or variables already have good discriminant validity, where the indicators in the indicator block are better than the indicators in other blocks. Evaluate then whether the model has good discriminant validity Tested with Fornell-Larcker criteria. Test correlations between constructs in the model. This can be seen in Table 4.

Table 4. Fornell-Larcker criteria

	Buying Decision	Halal Label
Buying Decision	0.841	
Halal Label	0.498	0.798

Source: Primary Data Processed (2023)

The results above show that the correlation of constructs is greater than the correlation value of other receipts. These results show that the proposed model has good *discriminant validity*.

Composite Reliability

In addition to measuring the outer model by assessing convergent validity and discriminant validity, it can also be done by looking at the reliability of constructs or latent variables measured by composite reliability values. The construct is declared reliable if the composite reliability has a value of > 0.7 . SmartPLS output results for composite reliability values are shown in Table 5.

Table 5. Cronbach's alpha and composite reliability values

	Cronbach's Alpha	Composite Reliability	Average Extracted Variance (AVE)
Buying Decision	0.896	0.923	0.708
Halal Label	0.806	0.873	0.637

Source: Primary Data Processed (2023)

The results of SmartPLS output in Table 5 show that the value of Cronbach's alpha and composite reliability for all constructs is above the value of 0.60. While the AVE value is above 0.50. With the resulting value, all constructs have good reliability in accordance with the minimum value limit required. On the basis of the overall results of the model evaluation, all good results were obtained. Then, this research model can proceed to the next step.

Structural Model Testing (Inner Model)

Statistical Analysis

Statistical analysis conducted using EViews and SmartPLS showed a significant positive correlation between halal labeling and the likelihood of purchasing food products. Regression analysis showed that halal labeling accounted for approximately 40% of the variance in purchase decision ($R^2 = 0.40, p < 0.05$). This relationship demonstrates the important role of halal certification in consumer choice among Muslim students.

Variance Analysis (R²) or Determination Test

Analysis of Variance (R²) or determination test is used to determine the magnitude of the influence of the independent variable on the dependent variable. The value of the coefficient of determination is shown in Table 6.

Table 6. R-Square value

	R Square	Adjusted R Square
Buying Decision	0.248	0.238

Source: Primary Data Processed (2023)

Based on the r-square value in Table 6, it can be seen that the R-square value for the buying decision variable is 0.248. The acquisition of this value explains that the percentage of halal label size can be explained by the decision to buy by 24.8%, while the remaining 73.52% is influenced by other variables that are not studied.

Hypothesis Testing

After testing the outer model that has met the requirements, the next step is to test the inner model (structural model). The inner model can be realized by examining the r-square (reliability indicator) for dependent nostra and the t-statistical value of the path coefficient test. The higher the r-square value, the better the prediction model of the proposed research model. The value of the path coefficients indicates the level of significance in hypothesis testing. To determine whether a hypothesis can be accepted or rejected by considering the significance value between contracts, t-statistics, and p-values. Testing this hypothesis was performed with the help of SmartPLS (Partial Least Square) 3.2.9 software. These values can be seen from the results of bootstrapping. The rules of thumb used in this study are t-statistics > 1.96 with a significance level of p-value 0.05 (5%). The value of testing this research hypothesis is shown in Table 7, and the results of this research model are described in Figure 1.

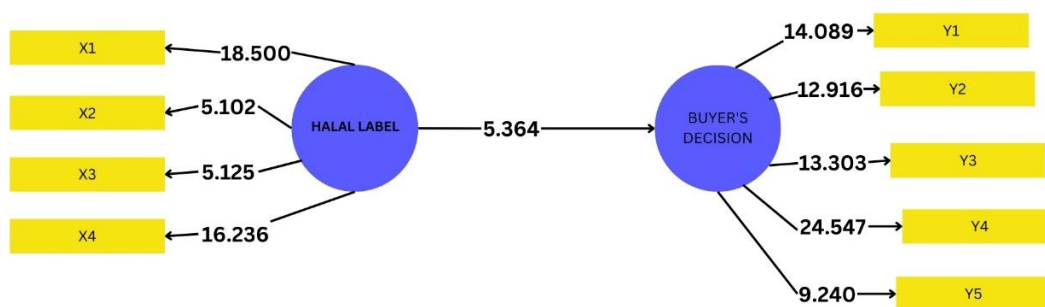


Figure 1. Results of the Research Structural Model

The results of the path coefficient hypothesis of the proposed hypothesis are as follows.

Table 7. Path Coefficient Results

	Original Sample (O)	Sample Average (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Halal Label -> Buying Decision	0.498	0.522	0.093	5.364	0.000

Source: Data processed 2023

Insights and Comparative Analysis

While the influence of halal labeling is evident in Indonesia and Malaysia, this study found some important differences. In Malaysia, the strict regulations and high level of awareness imposed by JAKIM (Department of Islamic Development Malaysia) promote trust and reliance on the halal label more strongly than in Indonesia. Malaysian students show higher sensitivity to the absence of halal certification, reflecting the effectiveness of the national halal certification initiative.

In contrast, Indonesian students, while still influenced by the halal label, show a slightly more relaxed attitude toward non-certified products, possibly due to the diverse and less stringent enforcement mechanisms in Indonesia. These differences suggest that while halal certification is universally important among Muslim consumers, the level of impact varies based on the regulatory environment and culture.

Unique Insights

The novelty of this research is the role of educational institutions in shaping halal consumption behavior. Both universities involved in this study incorporate Islamic principles into their curriculum, which can sensitize students to halal issues. This educational influence becomes an important factor in the observed purchasing behavior, which suggests that educational initiatives play an important role in promoting halal consumption.

This study found that halal labeling influences food purchasing decisions among students at the Islamic University of Bandung and UiTM Kedah. The results are in line with previous studies, such as those conducted by [Suki and Suki \(2018\)](#), which highlight the importance of halal awareness and religiosity in shaping consumer attitudes toward halal products. This study conveys new insights by comparing university students from two different countries, thus contributing to a broader understanding of how the cultural context can influence purchasing behavior.

CONCLUSIONS

Based on the test results, it is conclusive that the level of knowledge positively and significantly influences purchasing decisions. Hypothesis testing regarding the effect of Halal Label on Buying Decisions yielded a beta coefficient value of 0.498 and a t-statistic of 5.364, with a p-value of 0.000. The statistically significant t-value (>1.96) with a p-value < 0.05 confirms the acceptance of the hypothesis, demonstrating that Halal labeling significantly influences purchasing decisions. This effect was observed among respondents from both Malaysia and Indonesia.

In a scientific context, these findings substantiate the initial hypothesis posited in the study, revealing a robust association between consumers' knowledge of a product's Halal status and their purchasing behavior. Thus, a comprehensive understanding of Halal labels significantly shapes consumer preferences and purchasing decisions in food markets across both Malaysia and Indonesia. Furthermore, these conclusions align with comparisons drawn from previous studies, highlighting the influential role of Halal Labeling in guiding food purchasing decisions among respondents.

LIMITATION AND FURTHER RESEARCH

Reviewing the results of this study, the researcher confines the scope to examining the definition and implications of the Halal label, as well as comparing purchasing decisions regarding food products labeled as such between Indonesia and Malaysia. Limitations may arise from factors such as the sample size being too small, methodological considerations, and other potential sources of bias. Furthermore, future research should focus on specific areas, such as investigating the impact of the confirmation model of Halal labeling on food purchasing decisions, employing larger and more diverse samples, and exploring additional variables that may influence consumer

behavior.

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